

David A. Bird, Ph.D., M.S., CPA
Certified Professional Agronomist
P.O. Box 173
Lawrenceburg, KY 40342

RECEIVED

MAY 16 2011

PUBLIC SERVICE
COMMISSION

North Mercer Water District
Attn: Gerald Sheperson, Chairman
108 North Main Street
Salvisa, KY 40372

RE: Proposed Rate Increase

Dear Mr. Sheperson:

This letter is in response to the rate increase listed in the legal notices of *The Anderson News* for the week of Wednesday, May 11, 2011. As I read the proposed rates and accompanying description the schedule increase is to pay for an extension and connection to South Anderson Water District so that North Mercer can increase the volume of water available.

I can not dispute the validity of the need for an increase or for the validity of the system upgrades. I do protest the structure of the fee schedule. Low volume users will see their bills increase \$5.00, or 30% per month for minimal water usage while high volume customers will see an approximate 16% increase. It seems to me that this fee structure is regressive and puts the greatest percentage burden on those smaller users of the water system while they receive very little benefit from the increased capacity. If the only water users were small residences and farms with meters using little or no water their would be no need for this upgrade in capacity. I find it morally offensive to ask a greater percentage burden on the poor, the small farmer, and the low volume water user than on business and industry.

Even though I am an Anderson County resident I represent the interest of my father's estate as Executor and my mothers interests as Power of Attorney in Mercer County with two water meters on North Mercer's system.

Sincerely,



David A. Bird, PhD

Cc: Kentucky Public Service Commission, POB 612, Frankfort, KY 40601